

**BIDTIMES PLC ("Bidtimes" or "the Company")**

**Interim Results for six months ended  
31st August 2003**

**Chairman's Statement**

I am pleased to present the interim results for the Group for the period ended 31 August 2003. I have now taken up the position of Chairman and Chief Executive, following the retirement of Brian North at the Annual General Meeting on 10 September 2003. I would like to thank Brian for his efforts and support during his time as Chairman of the Company.

The Group has made a small profit for the period of £79, before taxation and exceptional items, compared with a loss of £31,431 for the same period in the previous year, which is encouraging. The write back of negative goodwill and amounts written off investments relates entirely to the Group's investment in SRS Technology Group Plc and, after this charge, the Group made a loss of £135,137 (2002: £254,848). The Board does not believe that this will represent a permanent diminution in value, but, to be prudent, we have recognised this reduction in value in the period under review. Shareholders should note that it is our policy to value investments at the lower of cost or net realisable value. This results in the immediate recognition of potential losses, but not potential gains and I would point out that the Group has a number of potential unrealised gains, as detailed in note 6 to the balance sheet, which have not yet been recognised.

A reduction in the overhead base of the Group, including a reduction in directors' remuneration, was implemented towards the end of the period under review and, in addition, the rental income from our property portfolio did not contribute until the later part of this period. These factors will have a greater impact in the second half of the financial year. The performance of the investment portfolio during the period, detailed in note 6 to the interim results, was considered to be satisfactory by the Board, although we continue to monitor very closely the Group's investment in SRS Technology Group Plc.

With all funds currently invested in a diversified and balanced portfolio, the Board will now focus on maximising shareholder value from the current investment portfolio. Your directors remain optimistic in their outlook for the Company in the medium term, as its investments mature.

Russell Stevens  
Chairman and Chief Executive  
31 October 2003

**Consolidated Profit and Loss Account**  
for the six months ended 31st August 2003

	Six months ended 31 August 2003 Note (unaudited) £	Six months ended 31 August 2002 (unaudited) £	Eighteen month period ended 28 February 2003 (audited) £
<b>Turnover</b>	20,000	-	13,055
Administration expenses	(48,422)	(45,254)	(194,886)
Net rental income	20,119	-	-
Interest receivable	8,382	13,823	40,865
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Profit/(loss) before exceptional items	79	(31,431)	(140,966)
Exceptional items			
Amounts written off investments	(135,216)	(645,797)	(1,402,867)
Write back of negative goodwill	-	422,380	422,380
	-----	-----	-----
Loss on ordinary activities	(135,137)	(254,848)	(1,121,453)
	=====	=====	=====
Loss on ordinary activities before and after taxation	(135,137)	(254,848)	(1,121,453)
	=====	=====	=====
Basic loss per share (pence)	5 (0.78)	(2.68)	(10.27)
	=====	=====	=====

The Group has no other recognised gains or losses other than the losses for the periods.

**Consolidated Balance Sheet**  
as at 31st August 2002

	Note	As at 31 August 2003 (unaudited) £	As at 31 August 2002 (unaudited) £	As at 28 February 2003 (audited) £
<b>Fixed Assets</b>				
Fixed asset investments	6	1,092,060	532,933	336,447
<b>Current assets</b>				
Investments		290,181	-	148,055
Debtors		25,129	5,860	4,250
Cash at bank and in hand		241	519,562	314,758
		315,551	525,422	467,063
<b>Current liabilities</b>				
Creditors		(18,738)	(24,454)	(10,500)
<b>Net current assets</b>		296,813	500,968	456,563
<b>Total assets less current liabilities</b>		1,388,873	1,033,901	793,010
<b>Liabilities falling due after more than one year</b>		(731,000)	-	-
<b>Net assets</b>		657,873	1,033,901	793,010
<b>Capital and reserves</b>				
Called up share capital		868,676	868,676	868,676
Share premium		714,948	714,948	714,948
Profit and loss account		(925,751)	(549,723)	(790,614)
<b>Equity shareholders' funds</b>	7	657,873	1,033,901	793,010

**Cash Flow Statement**

for the six months ended 31st August 2003

		<b>Six months ended 31 August 2003 (unaudited) £</b>	<b>Six months ended 31 August 2002 (unaudited) £</b>	<b>Eighteen month period ended 28 February 2003 (audited) £</b>
<b>Net cash outflow from operating activities</b>	8	(41,063)	(189,661)	(285,270)
<b>Return on investments and servicing of finance</b>				
Net rental income		20,119	-	-
Interest received		8,382	13,823	40,865
<b>Capital expenditure and financial investment</b>				
Fixed asset investments		(890,829)	(93,479)	(108,270)
Current asset investments		(142,126)	-	(148,055)
<b>Acquisitions and disposals</b>				
Purchase of subsidiary undertaking		-	(121,101)	(121,101)
		-----	-----	-----
Net cash outflow before financing		(1,045,517)	(390,418)	(621,831)
<b>Financing</b>				
Share issue costs		-	(68,038)	(68,037)
Term loan		731,000	-	-
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<b>Decrease in cash</b>	9	(314,517)	(458,456)	(689,868)
		=====	=====	=====

## Notes to the interim results

for the six months ended 31st August 2003

### 1. Accounting policies

The interim financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention. The principal accounting policies of Bidtimes have remained unchanged from those set out in Bidtimes' 2003 annual report and financial statements, except for the addition of the following accounting policy:

#### Investment properties

Investment properties are revalued annually and are included in the balance sheet at their open market values. The surplus or deficit on revaluation of such properties is transferred to the revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from the Companies Act 1985, which requires depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation. The financial effect of the departure from the Companies Act is not material.

### 2. Basis of preparation

The financial information set out in this report does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The figures for the period ended 28 February 2003, have been extracted from the statutory financial statements, which have been filed with the Registrar of Companies. The auditors report on those financial statements was unqualified and did not contain a statement under Section 237(2) of the Companies Act 1985.

### 3. Dividends

No dividend is proposed for the six months ended 31st August 2003.

### 4. Taxation

On the grounds that year to date losses have been made there is no taxation charged to the profit and loss account in this period.

### 5. Loss per share

The calculation of the basic loss per share is based on the loss on ordinary activities after tax and on the weighted average number of shares in issue during the period. The impact of the share options is anti dilutive. The loss and weighted average number of shares used in the calculations are set out below:

	Loss £	Weighted average number of shares	Loss per share (pence)
<i>Basic loss per share</i>			
6 months ended 31st August 2003	(135,137)	17,373,523	(0.78)
6 months ended 31st August 2002	(254,848)	9,524,353	(2.68)
18 months ended 28th February 2003	(1,121,453)	10,917,250	(10.27)
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## 6. Fixed asset investments

	Six months ended 31st August 2003 (unaudited) £	Six months ended 31st August 2002 (unaudited) £	Eighteen months ended 28th February 2003 (audited) £
Freehold property	890,829	-	-
Equity investments			
- SRS Technology Group Plc (see note a below)	92,961	439,453	228,177
- Innobox Plc (see note b below)	58,270	43,480	58,270
- Blue Chip Casinos Plc (see note c below)	50,000	50,000	50,000
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Totals	1,092,060 =====	532,933 =====	336,447 =====

- a) The value of the investment in SRS Technology Group Plc based on the mid-price of an ordinary share on 31st August 2003 was £92,961. The value of the investment at the close of business on [16 October] 2003 was £[103,525].
- b) The market value of the investment in Innobox Plc based on the mid-price of an ordinary share at 31st August 2003 was £131,600. However, the Directors have adopted a prudent policy and included this investment in the balance sheet at cost. The value of the investment on [16 October] 2003 was £[119,850].
- c) The Directors' opinion of the value of this investment at 31st August 2003 was £150,000. However, the Directors have adopted a prudent policy and included this investment in the balance sheet at cost.

## 7. Reconciliation of movements in shareholders' funds

	Six months ended 31st August 2003 (unaudited) £	Six months ended 31st August 2002 (unaudited) £	Eighteen months ended 28th February 2003 (audited) £
Loss on ordinary activities	(135,137)	(254,848)	(1,121,453)
Issue of ordinary share capital	-	531,868	1,078,949
Less: share issue costs	-	(68,038)	(64,849)
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Net (decrease)/increase in shareholders' funds	(135,137)	208,982	(107,353)
Shareholders' funds brought forward	793,010	824,919	900,363
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Shareholders' funds at the end of the period	657,873 =====	1,033,901 =====	793,010 =====

8. Reconciliation of operating loss with net cash flow from operating activities

	Six months ended 31st August 2003 (unaudited) £	Six months ended 31st August 2002 (unaudited) £	Eighteen months ended 28th February 2003 (audited) £
Operating loss	(28,422)	(45,254)	(181,831)
(Increase)/Decrease in debtors	(20,879)	4,063	(381)
Increase/(Decrease)in creditors	8,238	(148,470)	(103,058)
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Net cash outflow from operating activities	(41,063) =====	(189,661) =====	(285,270) =====

9. Analysis of charges in net funds

	As at 1st March 2003 (unaudited) £	Cash Flow £	As at 31st August 2003 (unaudited) £
Cash at bank and in hand	314,758 =====	(314,517) =====	241 =====

10. Copies of the Interim Results have been posted to shareholders today and are available from the Company's registered office, Meriden House, 6 Great Cornbow, Halesowen, West Midlands B63 3AB.

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